The TAX TIMES

September, 2007

Newsletter of the "BROWN COUNTY TAXPAYERS ASSOCIATION."

Volume 22, Issue 9

Show Me the Money.

Jerry Maguire is back, the epitome of the 1990's hustler whose essence was not truth and virtue but "spin." Faced with losing his entire clientele, Jerry was a one-man phone bank, but only Rod Tidwell, a blusterous, unhappy, wide receiver, answered with the now-famous, "Show me the money!" Maguire's virulent ethic remains epidemic in our culture.

Well, its budget time in Titletown and already the big spenders are restless. Fiscal discipline went out the door with our hard nosed money manager, Carol Kelso. News reports estimate the county with a full 50% spending boost. Well, guys and gals, "Show me the money!" Where will we scrounge the extra cash?

Seriously, if Diamond Jim or his legislative pirates push through any of their tax increases, how do you expect the everyday citizen to fork up the dough? Bake sales? Lemonade stands? Paper routes? Just ask any fixed incomers if their incoming COLA was 50%. Yah, right!

Here's something else skewing the view: The market pressure on home values and the foreclosure scare are rattling our citizens. Take a pugnacious punster like MSNBC's Cramer, apply the "Maguire Spin" and you have scared the fixed income gang white enough to have assumed room temperature. Sounds like these well-heeled Wall Streeters need a tax increase.

Now, say that market values have receded a scoatch; do ya think we could see our assessed value reduced by the same? Dream on! I'll take even money that most areas will see assessed values rise. But we all know how much in the way of logic or common 'cents' goes into the tax assessment game. You raise the assessed value so you can cut the levy rate and still boost revenues.

Down at Diamond Jim's table -- or at the county seat, Tartuffe Tom's "Texas Hold 'em'" soiree -- the game is to keep them scared and jealous of the greedy capitalists with their rising profits. Pay no heed to the Wal-Marts that feed and clothe the hoi polloi in a modest but affordable fashion. We need to expand vital government programs that-- well, what do they do exactly?

Let Diamond Jim, Sheriff Wyatt Erp-enbach or Tartuffe Tom "show me the money" that wasn't "borrowed" from some other program or squeezed from over-taxed Wisconsinites. Then we can talk about expanding vital government programs. But, hell, we all know they can't do that. Instead, they use rosy revenue forecasts and federal grant schemes – like using an IOU down at the Oneida craps table.

WARNING!! Look out for your wallets, the "tax and tax again" gang is back in town. It's time to take a deep breath, slam a shot of self respect and say, "Hell no, we won't pay!" Where is our Robin Hood to relieve the government of OUR money? Where is our Roy Rogers to lasso stampeding government spending? Take your tax schemes and go home, Jim, Wyatt and Tom!

The spin is on; when you hear, "Just how do you expect the schools and government to operate without a **NEW** Budget?" "Just fine," is the answer. The current budget is intact and no funds are being cut from that. Let the bureaucrats ask the folk, "How many of you have to make do with the same as last year?"

Yes, *Jerry* Maguire is back. If only he was a real winner like *Al* McGuire.

The BROWN COUNTY TAXPAYERS ASSOCIATION.

Richard Parins - President

The BROWN COUNTY TAXPAYERS ASSOCIATION

Promoting Fiscal Responsibility in Government

Keep Your Eye on the Ball.

There are two versions of the state budget in the process of negotiations. They are now in a Conference Committee. This is a Committee of 8 legislative leaders, four from each house. Four Democrats and four Republicans, because the Senate has a Democratic majority and the Assembly has a Republican majority.

Back in February, the Governor proposed his budget. Then the Joint Finance Committee's (JFC) 16 members made many changes to his budget. Because of the way the process works (because they were working from the Governor's document), it took a majority vote to amend the Governor's budget. I estimate more than 80% of the governor's budget proposal was contained in the final JFC budget. The budget moved from JFC on a tie vote (8-8) along partisan lines.

The Senate used what came out of JFC and added more taxes, more spending, rolled some bills into it and added the controversial plan to take over health care in Wisconsin. The Assembly, on the other hand, held the line on taxes and had modest fee increases.

The media focused on a few items instead of the big picture: the Senate's health care proposal (a mighty large proposal), the Assembly (my idea) proposal to eliminate \$2.5 million tax subsidy of the U. W. Law School, and the University's claim that a 3% increase in spending is really a "cut" (They use Madison and Washington math).

What about the rest of the story?

According to the non-partisan Legislative Fiscal Bureau, without the \$16 Billion health care proposal funded by payroll taxes, the Senate and the Assembly are more than \$2 Billion apart in spending, taxes and fees. Over two years, the Senate proposes spending \$58 billion and the Assembly proposes \$56 billion. This \$2 billion difference in spending amounts to \$400 for every man, woman and child in the state of Wisconsin. The Senate Democrats want to take \$400 more from each of us so the government can do more for us.

The Conference Committee has agreed on over 500 items that are the same in both the Senate and the Assembly budgets. That's real progress. They have also disagreed on the Senate health care proposal and nearly \$2 billion in new taxes the Senators want.

One of the greatest issues that caused these differences in the two budgets has to do with the method at the beginning of putting together a budget.

The Senate Democrats seem to have started with the wants and perceived needs of their constituencies. Then they figured out how to get the money for their proposal.

The Assembly Republicans started by asking, "How much money do we expect in the next two years and how do we spend it in the best interest of the most people?" It boils down to our basic beliefs. Are we taxed enough, too much or not enough? Do perceived needs outweigh letting our citizens keep the money (from their earnings) they are getting to keep now? I believe we are taxed plenty already. (click here) to see my pledge with Americans for Tax Reform on this topic.

Do the Assembly Republicans accept the tax increases (all, some or none) and government sponsored health care system and the payroll taxes that go with it (all, some or none) or do we hang tough for the taxpayers?

That remains to be seen.

Keep your eye on the ball. Don't get distracted from the big picture.

Representative Frank G. Lasee

Lower costs BEFORE we offer universal coverage.

Healthy Wisconsin. Universal coverage. Yes, it's the goal. But stupid - and expensive - to do it now. Before creating a massive state program, we absolutely must first control health care costs.

Once again, John Torinus, CEO of Serigraph Inc., snaps our heads around on the issue. And he snaps our heads around not by whining about 'caring about each other' or about 'the most vulnerable among us.' But rather he goes to a private industry example, citing KI in Green Bay as "arguably the place to benchmark in the private sector for best practices on simultaneously delivering health care and controlling health costs. Its self-insured plan offers a full set of benefits, stresses wellness, prevention and fitness and brings it in for less than \$6,000 per employee."

Wow. Less than \$6,000 per employee.

That's half of the state's costs - an average of \$11,880 in premiums alone, per employee. It's one-third of what some school districts report as a family premium.

And the benefit plan is "well regarded" by KI employees. How do they do it? By empowering the consumer. Imagine that.

"Its incentives prompt judicious behavior by its workers in how they use and purchase medical treatments, in their lifestyles and in following disease regimens."

As Torinus points out, that comparison of the KI program to the state cost is important - because Healthy Wisconsin IS the state employees program.

Torinus again:

"If universal coverage is the goal, and it should be, there are less onerous, bipartisan ways to get there.... [for example] applying consumer-empowerment disciplines [e.g., KI and Serigraph plans] to the [state employee] plan and the state's nearly \$2 billion bill for Medicaid, and then using the enormous savings for... insurance subsidies. Figure that a one-third reduction is possible in the \$3 billion spent in those two areas.

"Properly structured, like KI's plan, there is more than enough money to cover everyone in the state - without a massive payroll tax."

Absolutely. It can be done. It is being done. Legislators and voters must absolutely insist on lower health care costs before we offer universal coverage. Universal coverage that is critical for America. Legislators, agency staffers, please get to work on the basics. HSA's. Individual empowerment. Preventive health care. Controlling "lifestyle" diseases. Lowering costs.

Get to work. Now. Fast. And that doesn't mean Healthy Wisconsin.

Jo Egelhoff, FoxPolitics.net.

"Unquestionably, there is progress. The average American now pays out as much in taxes as he formerly received in wages." . . . H. L. Menken

An Open Letter to the President and Congress:

Taxpayers Oppose Hike in the Federal Gas Tax.

August 21, 2007

Dear President Bush and Members of Congress:

On behalf of the millions of taxpayers represented by our respective organizations, we write in opposition to proposals that would increase the existing 18.4 cent-per-gallon federal excise tax on gasoline.

One legislative plan promoted by Representative James Oberstar would temporarily increase the federal gas tax by 5 cents per gallon to fund bridge repair around the country. We are extremely concerned that this "temporary" tax increase would turn into a permanent one. After all, President George H.W. Bush's "temporary" gas tax increase of 5 cents per gallon in 1990 never went away as promised, while lawmakers "repurposed" President Clinton's 4.3 cent-per-gallon hike when the budget seemed headed toward a surplus.

Proponents of a federal gas tax increase insist that few would even notice the change in their fuel bills. In reality, a 5 cent-per-gallon jump would represent a steep 27 percent tax hike over the current rate and cost American motorists an estimated \$25 billion over the next three years. Combined with state gas taxes, many motorists would pay over \$7.50 in taxes for the average fill-up. This is a substantial burden on families trying to make ends meet and only makes gas prices harder to stomach. Given high energy costs, now is the time to give taxpayers a lighter – not a heavier – gas tax burden.

We also reject the notion that there isn't enough money available for infrastructure upkeep. Both the federal and state governments have made record levels of transportation money available. The 2005 Highway Bill increased related funding by 42 percent, to a record \$286.5 billion. It also contained 6,500 earmarks totaling 9 percent of the bill's cost. The Fiscal Year 2008 Transportation, Housing & Urban Development and Related Agencies Appropriations Bill contained 1,434 earmarks worth over \$2.2 billion. This is money that could have been directed to real need-based priorities determined by transportation experts. Instead, it was handed out to politically connected allies. Congress's bad habit of earmarking has siphoned money away from core repair functions and into questionable projects. This reckless binge should be ended before lawmakers even consider raising gas taxes by a single penny.

Instead of resorting so readily to tax hikes, Congress and the Executive Branch should conduct a review to determine which transportation projects are really worth funding and which are unnecessary. Elected officials should not be feeding more revenues into the gears of an ever-faster spending machine, and we urge you to oppose any federal gas tax hike.

Sincerely,

(This letter was signed and submitted to the President and Members of Congress on behalf of 56 prominent taxpayers groups, including the National Taxpayers Union, from throughout the United States. We are pleased that the Brown County Taxpayers Association was invited to participate and our logo and signature of support were included.)

"Tax rates are not tax revenues...How many times does it have to happen before people stop equating tax rates with tax revenues: Do the tax-and-spend politicians and their media supporters not know any better—or are they counting on the rest of us not knowing any better?"

. . . Thomas Sowell

VISIT OUR WEBSITE
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Ten Principles of Health Care Policy.

The problems of the nations health care system along with a broad variety of proposed political solutions will likely be the centerpiece of the upcoming 2008 election campaigns.

In the meantime, the Wisconsin Senate has proposed a massive, mandated "Universal Health Care" plan that could completely overhaul the existing coverage for the majority of the states population along with an undetermined effect on the states economy. It would seem that a great deal of study should be expanded before anything of this nature is ever implemented.

The Heartland Institute of Chicago, is an independent research organization studying social and economic problems in an effort to provide and promote free-market solutions. Under the assumption that the U.S. spends too much money on health care, but that financing a system that delivers high-quality care to those in need is one of the greatest challenges of our time.

The following is a very brief summary of their report.

#1 - Health care is a market, not a right.

Health care is best delivered by the market,
just like other important goods and services. There
seems to be assumptions about health care that are incorrect. First that health care is different than other goods
and services, and second is that it is too important to be
left to the market to deliver. Controlling prices such as
with medicare leads to shortages while open competition
reduces prices.

#2 – Repeal existing regulations first.

Mandated benefits, guaranteed issue and community rating are among the regulations that drive up the cost of health insurance. Politicians are often anxious to pass new laws and mandates but they should first repeal existing laws and programs that make problems worse, not better. In the U.S., there are 1,843 laws mandating that insurers cover certain procedures or benefits. Research shows that 1/4 of the insured have been priced out of the market because these mandates have driven the cost of insurance out of reach. There are many needless regulations applied to health care providers.

#3 - Reduce reliance on third-party payers.

Over-reliance on third-party payers is at the root of many of the problems affecting health care to-day. Government policies that reward over-reliance on third parties to pay for routine medical expenses encourages Americans to overuse health care services and reduce the rewards to providers who would otherwise compete on the basis of price.

#4 – Help only those who need help.

Universal coverage is not the appropriate goal of health care reform. Universal insurance coverage is not the only way to ensure access to affordable and high-quality health care, and isn't the best way. The uninsured are a heterogeneous population with diverse needs, priorities, and opportunities. Reformers should focus on helping those who actually need help. Many people are uninsured by their own choice, or have other options

#5 – Single payer is not the answer.

Single payer health systems in other countries provide inferior care and fail to provide universal services. Single-payer systems use long delays in receiving treatment to ration medical goods and services. In Canada, the median average wait for treatment after referral by a specialist was nearly 18 weeks. The number of physicians per capita is nearly 50 percent higher than in Britain or Canada, resulting in smaller case loads and more individualized attention.

#6 – Encourage entrepreneurship.

Specialty hospitals, retail clinics, and other innovations can lower cost and improve access to quality health care expense. Entrepreneurs and innovators are developing new ways to deliver heath care that are more convenient, higher in quality, and cost less than currently available services. Unfortunately, public policies often stand in their way.

#7 - Expand Health Savings Accounts.

Health Savings Accounts are a key part of empowering consumers and restoring discipline to health care providers. Health Savings Accounts (HSAa) were created by the Medicare Act of 2003. They are similar to 401K retirement plans in that they are privately owned and funded with pretax dollars. The difference is they allow people to save for medical expenses rather than for retirement. By law these plans are paired with high-deductible health insurance plans, which cost far less. The deductibles come from the savings accounts.

#8 – Liberate prescription drugs.

Prescription drugs have enormous potential to improve health and reduce costs, but they are regulated too heavily. Prescription drugs are extending life, reducing suffering, and making surgery less necessary. Research promises many new breakthrough improvements. Prescription drugs represent about 11 percent of total U.S. health-care spending, yet they are often the target of price controls and restrictions by politicians and reform advocates.

#9 - Stop lawsuit abuse.

Unreasonable lawsuit awards cause health costs to rise and drive medical professionals out of business. Frivolous lawsuits and large judgments against doctors, hospitals, and insurance companies help fuel the rising cost of health care in the U.S. States can rein in lawsuit abuse by capping damage awards, creating medical courts, and implementing other reforms. In 2001, 52% of malpractice awards were for amounts in excess of \$1 million, compared to a median of \$500,000 less than five years previous. Even though doctors win the majority of malpractice suits, their legal expenses and cost of malpractice insurance adds considerably to the cost of health care. It also is reflected in the cost of defensive paperwork.

#10 – Encourage long-term care insurance.

Medicaid should not be used by middle and

upper-income families to pay for long term care. America faces a looming crisis as its "baby boomer" generation starts retiring without having made adequate arrangements for retirement income or health care expenses. Encouraging the purchase of long-term care insurance is one way policy makers can help their constituents prepare for the future. Medicaid was designed to help meet the health care needs of the indigent, but over the years it has become the principal source of payment for nursing home and home health care costs for all Americans. Medicaid paid 44.3 percent of all nursing home costs in 2004.

There are obviously a lot of good ideas here and a lot to think about. We commend the Heartland Institute for their research. We would like to believe that any changes in our complex health care system should be determined by consensus of all parties involved. Not a politically motivated mandate such as we are seeing in Wisconsin.



The complete report covers 34 pages, and goes into much greater detail and refers to many reports and examples to support their conclusions.

You can download the complete report from the *Heartland In*stitutes web site. **www.**

<u>heartland.org</u>. You can also purchase copies from The Heartland Institute, 19 N. LaSalle St., #903, Chicago, IL 60603, Phone (312) 377-4000.

Jim Frink - BCTA

NATIONAL DEBT UPDATE.

The United States National Debt is estimated at **\$8,991,171,145,601.04**, as of September 1, 2007.

It has been increasing at the rate of \$1.44 Billion per day since September of 2006, and now totals about \$29,685.54 per citizen. At this rate, it will not take long to reach **\$9 TRILLION**. This will call for authorization by Congress, and they should take care of this if they have not already done so.

They have already found it is easier to raise the debt limit than cut spending.

SCHOOLS COMMITTEE ON THE INTERNET.

The Green Bay Board of Education has a website covering news and releases of the "Enrollment Tax Force," studying the need for a fifth high school. www.Greenbay.K-12.wi.us/01/info/enrollment/Check it out.

Madison Mathematicians Out In Full Force.

Recently my office has been receiving calls and e-mails detailing the recent antics of special interest groups and their liberal use of Madison Math. You may have heard their rhetoric on the local news, seen their pieces in the newspaper, or even received propaganda in your mailbox. Make no mistake about it, the tax-consuming special interest groups in Madison are out in full force, and they won't rest until they have more tax-payer dollars to fund their agenda, whether you agree with it or not.

The special interest groups have been using words like 'cut,' which I've talked about. They'll say that anyone who opposes their agenda of higher taxes, more spending, bigger government and more red tape is against working families. I want to take this opportunity to dispel some of the mistruths that are being spread by the special interest groups and remind you how the Assembly budget stands with working families. We've discussed this previously, but a big-picture refresher couldn't hurt.

First and foremost, the Assembly budget stood up for working families by being the last line of defense between you and \$18 billion in new taxes that were proposed by the Senate Democrats. That's a \$1,948 tax increase for every man, woman and child in the state! Talking to people was my favorite part of owning my restaurant, and it's my favorite part of being your state representative. I spend a lot of time chatting with families in the district, and I can say that the last thing working families can afford is an even heftier tax burden.

People are OK with paying their fair share to ensure that our communities are safe and that their children receive a good education, but they acknowledge that Madison has more than enough money to fund these priorities without having to ask the taxpayers to dig deeper into the wallets. With this in mind, we have set a goal of passing a no tax increase budget that would fund our priorities, something we accomplished successfully.

Our budget rejects tax increases that would directly hit families and stretch their already tight budgets. Energy and healthcare costs are going up and families are feeling the pinch, yet the Governor's budget proposed tax increases that would increase the costs of both. The special interest groups that feed on your tax dollars seem to think that rejecting these tax increases means that we aren't standing up for working families. I strongly disagree.

The Madison Mathematicians are talking about one of their favorite subjects - education. They talk about my colleagues and I being "antieducation" and how the Assembly budget "slashes" education funding. This is Madison Math at its best, or worst depending on your perspective! The budget analysts at the non-partisan Legislative Fiscal Bureau will tell you that the Assembly budget increases education spending by \$464 million over the next two years. I know I'm an old guy and it has been a long time since I was a kid, but when I was taught math at schools right here in Green Bay, I learned that a near half-billion dollar increase can't be called a "cut" or a "slash."

The thing about these Madison special interest groups is just that, they're from Madison. They don't understand the folks in Green Bay. They think people will believe whatever is put in front of them. Be careful of any group saying that they are looking out for working families, because all they really want is more tax dollars from working families. It's unfortunate that the taxpayers are the silent majority compared to the well-funded Madison lobbyists and their political machines that thrive on higher taxes and bigger government. Please remember that the special interest group I'm looking out for is you - the taxpayer.

Rep, Karl Van Roy

July Meeting Notes.

Mayor Schmitt Addresses BCTA.

Monthly Brown County Taxpayers Association meeting held July 16, 2007 at Titletown Brewing Co.

Green Bay Mayor Jim Schmitt gave an update on developments in the city. He said the future depends on economic development. We must grow the tax base. A strong downtown is necessary for a successful city. The mall is the biggest challenge. The mayor hopes it can be sold. We have Wi-Fi on the waterfront, now. He wants to have greater Green Bay area Wi-Fi in the future.

On the west side, plans are being developed to revitalize Velp Avenue and Military Avenue. New west side businesses coming include Walgreens, Cambria Suites (127 rooms), and Starbucks. Long-range plans include connecting Military Avenue to I-43.

On the east side, the future lies with the University Heights Industrial Park. The 880 acre I-43 Industrial Park is filling up.

Other news: Green Bay Transit is under private management, now. City Attorney Jerry Hanson will be the new Green Bay Municipal Court Judge and was introduced by the Mayor. He will move the time for Juvenile Court to after school.

City planning will focus on energy, sustainability, and lighting. In financial matters, the City is pursuing a course of reducing borrowing and holding budget increases to less than two percent.

The proposed Walnut Street renovation will be funded by a \$1.5 million federal grant. Single-family homes will be encouraged. Homeowners converting 2-family and 3-family dwellings to single family residences will be eligible for \$10,000 grants.

Jo Egelhoff from FoxPolitics.net compared the state budget in the works with previous budgets. She observed that spending and bonding are both up significantly. We need to write and talk to our state legislators - stridently.

The next BCTA meeting will be Aug. 16, 2007, and the speaker will State Rep. Tom Nelson. Dave Nelson – Secretary

"Congress is now trying to pass a bill that would require health insurance to cover more costs for the mentally ill. Once again, Congress is looking out for themselves."

. . . Jay Leno

"In selecting men for office, let principle by your guide, Regard not the particular or sect or denomination of the candidate – look to his character." . . . Noah Webster

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, call Jim Frink at 336-6410. or E-Mail BCTA@ExecPC.Com.

August Meeting Notes.

Representative Nelson Speaks to BCTA.

Monthly BCTA meeting August 16, 2007.

State Representative Tom Nelson addressed the meeting. He represents the 5th Assembly District, which includes the far west part of the City of Green Bay, the far west part of the Village of Ashwaubenon, and the Townships of Hobart and Lawrence in Brown County. The 5th District extends west into Outagamie County and south to the City of Kaukauna. He serves on the following committees: Financial Institutions, Rural Economic Development, Labor and Industry, and the Joint Committee for Review of Administrative Rules.

Representative Nelson gave a history of Wisconsin's SeniorCare program. It was made possible by a waiver from MediCare services for the period of July 1, 2002 through July 1, 2007. It used a combination of federal, state, and private funds. Starting in 2002, the state negotiated very favorable discount prices for drugs for over 100,000 users.

With MediCare Part D starting in October, 2005, the federal government wanted SeniorCare terminated at the end of the waiver period, July 1, 2007. At this time, it appears that an amendment by Senator Kohl will permit SeniorCare to continue to January 1, 2010. SeniorCare does not have an asset test, which is a primary reason for the federal government to want to stop funding its share of SeniorCare costs.

Representative Nelson distributed a letter from the Legislative Fiscal Bureau explaining the structural deficit in the state budget, which has increased from \$1.21 billion for the 2000-2001 fiscal year to \$2.15 billion for the 2005-2006 fiscal year. The structural deficit is calculated using Generally Accepted Accounting Principles (GAAP). All private businesses must comply with GAAP in their financial reports to the public and to regulatory agencies or face criminal sanctions.

Essentially, the structural deficits in the state budgets are caused by delaying payments from one fiscal year to the next one. The major payments shifting causing the structural deficits are for shared revenues to municipalities, school levy tax credits, and equalization aid to school districts.

A motion to endorse the National Taxpayers Union Resolution opposing any increase in the federal gasoline tax was approved unanimously. A copy of this resolution is printed in this *TAX TIMES*. This resolution will be sent to President Bush and the members of Congress.

The next meeting of the Brown County Taxpayers Association will Sept. 20, 2007. Our speaker will be Paul Jadin, President of the Green Bay Area Chamber of Commerce. Also, copies of the 2007 50 State Comparisons and a 5-year comparison study will be distributed. Details on the back page of this *TAX TIMES*.

Dave Nelson – Secretary

State Website Pays Off.

The Dept. of Revenue website which publicizes delinquent taxpayers has resulted in \$25 Million of revenue due the state. In other words, \$25 Million to spend in the budget rather than dreaming up some new tax or fee increase. Congratulations to Rep. Lasee for his efforts on this initiative.

ALWAYS question a survey.

Recently FoxPolitics News included an article from The Capital Times. The headline, as published in the online article, was "Poll says Wisconsin wants universal care." The headline I wrote for you in FoxPolitics News said "Dems say WI favors universal health coverage" which was much more accurate. Then I provided a link to the actual survey and suggested you look at the survey for yourself to "decide if the poll is biased."

The poll claimed that 67% of those polled support Healthy Wisconsin.

You don't learn until much later in the article that the poll was conducted between June 12 and 14, <u>almost two full weeks before Healthy Wisconsin was even called Healthy Wisconsin</u>, 2 weeks before it was made public.

What?

Ok, you be the judge.

Here's how what ultimately became Healthy Wisconsin was described during the polling:

- * Guarantee health insurance, through a choice of a public or private plan, for all Wisconsin residents under the age of 65, regardless of preexisting conditions,
- * This plan does not affect anyone who is eligible for Medicare
- * Coverage will be paid for by a sliding scale payroll deduction, similar to Social Security, of \$400 per month for the average employer and \$105 per month for the average employee.
- * There are no co-pays for preventive care for children under 18, and a \$20 co-pay for doctor and emergency room visits, and no additional deductible.
- * Co-pays for prescription drugs will be \$5 for generic drugs and \$15 for brand drugs.

Here's how the competing program (the "Health Savings Account") was described during the polling:

- * Creates tax free health savings accounts and provides tax deductions on all health insurance premiums.
- * Requires preventive care management programs for uninsured families.
- * Gives tax breaks to employers who have health and wellness programs for their employees.
- * Provides state assistance for hospitals and doctor's offices to save medical records electronically and create Internet-based price comparisons.
- * Consumers would pay individual deductibles of up to \$1,200 annually, or \$2,400 annually per family.

Which program would you choose? A program that gives you everything for "\$105 per month," or one in which the last thing you hear is that you have to cough up \$2,400 every year? Is it only I imagining rosier vocabulary in the first set of bullets?

This fits with a thought Representative Van Roy included in his newsletter talking about the word "popular."

"If I gave you something you wanted (house, car, pony, \$200) for free, would you like it? Would I be popular in your book? It's safe to say you'd like it and I'd be pretty popular with you, although the State Ethics Board probably wouldn't like the idea of me giving voters \$200.

"But the example of me giving you \$200 works much differently in the world of government. In this world, if government wants to give you \$200, they get it by asking your neighbor, the family across the street, or the family across the state. And when government asks for their money, it doesn't ask nicely, it just takes it.

"But remember that every government benefit to one person has a cost to you. So the next time you hear that we must fund this incredibly 'popular' program, ask the 'tax-consumer' 'Popular to whom?'"

-Jo Egelhoff, FoxPolitics.net.

Comparing the 50 States.

How Does Wisconsin Rate?

The Taxpayers Network, Inc., has released it's 2007 edition of its popular "50 STATE COMPARISONS."

The booklet consists of 65 tables ranking each state (and the District of Columbia) in various categories covering demographics, taxes & revenue, government, economic, education, natural resources, transportation, public transportation, public safety and courts, and health and welfare.

Statistics and rankings presented are the latest available from reliable sources such as the U.S. Census Bureau, U.S. Dept. of Commerce, National Education Association, Social Security Administration, U.S. Dept. of Transportation, and various state government and private research firms. It is a very useful reference. In some categories Wisconsin ranks well above the national average and in others lags far behind. Certain areas defy explanation or need improvement.

Compliments of Taxpayers Network, Inc., copies of the report will be distributed to attendees at the September 20, BCTA meeting.

Also distributed will be copies of the 50 States Comparisons Compendium, which is a 5 year tracking of each states comparisons, and indicate if a state is moving up or down in position with other states.

If you would have use for this information and are unable to attend the meeting, please call Jim Frink at 336–6410 to obtain copies.

Membership Input Needed.

There are a couple of things we can use some help on.

First, the time of the year is here when the School Districts, County and Municipalities prepare their budgets. Any comments or suggestions appropriate for the BCTA to forward as a group would be appreciated. These can be published in the TAX TIMES or be submitted by letter.

Secondly, each year we have sent a "TAXPAYER" survey to our membership. This always brings a good response as well as a direction to focus our attention as a taxpayer group.

If there are any areas that you feel should be included in this survey – let us know! Priorities for taxpayer concerns change from year to year, and we want to be sure to cover the items our members are most concerned about. You can E-Mail us at BCTA@Execpc.com, write to P. O. Box 2426, Green Bay, or call Jim Frink at 336.6410.

Things That Make Us Wonder.

Recent fluctuations in the price of gasoline at the pump perhaps show that oil companies still have control over what they charge us consumers. It is interesting to note that the average price at the pump in Wisconsin is still 15-20 cents more than the national average. Perhaps this is a sample of what will happen if Gov. Doyles 3% profit tax on the oil companies becomes a reality.

* * * * *

While the Wisconsin Senate and Legislature try to compromise on an acceptable state budget, the lobbyists and their special interest sponsors must be working overtime making sure their favorite spending programs are not left out.

There have been reports that some legislators have been finding the budget negotiations a good opportunity for raising funds for the next election. Common Cause reports that several (if not most) lawmakers have been holding fundraising events during this period. Even Gov. Doyle, who chastised legislators during previous budget proceedings held a \$1,000 per/ golf outing in Madison and invited individual and PAC contributions. For an extra \$1,000 you could have your picture taken with him.

Whatever the budget outcome, does it make much difference as long as the Governor has his veto/add-on pen handy?

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Now that the 2008 election campaigns are starting to take shape, we don't hear much about campaign finance reform. We wonder why?

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We recall that the package to pay for the Packer Stadium renovation included \$10 Million from the state for infrastructure, which we assumed was necessary street repairs and traffic improvements. Did this go for the widening of Lombardi Ave. to 6 lanes to handle game traffic?

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Keeping Social Security solvent has been a constant political issue for many years, and a huge con-

cern for workers who have a large chunk of their salaries set aside so the government will help take care of them when they reach retirement age.

We would have to go back to find exactly what Congress and FDR had in mind when the system was initiated back in the late 1930's, but it appears the money set aside is being used for other than normal benefits for workers reaching retirement age.

An example is a recent news article claiming the Social Security Administration has a record backlog of 745,000 cases of appeals by people claiming they are too disabled to work and requesting early retirement social security benefits. In other words, benefits paid from the fund but no longer contributing to it.

It may come as a shock to those workers looking forward to benefits when they retire that there are already 15.3 million people collecting early retirement disability benefits from the Social Security fund.

We do not question giving benefits to those injured on the job or otherwise unable to work. That is another subject. The question is should these benefits come from our Social Security reserve or should some other source of financing be developed?

While we trust their agents to make prudent decisions on disability cases, we all know of people receiving benefits who fear any resemblance of work as it may disqualify their status.

It would be interesting if the Social Security Administration could categorize the status of recipients and account for their budget.

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Perhaps the Social Security Administration is due for a full scale audit of their operation. In addition to administering the fund and accounting for its beneficiaries, they also are responsible for issuing Social Security cards and crediting the accounts of workers for deductions from their salaries to be used to determine their benefits when they retire.

Somehow or other it seems they have lost control with all the problems we seem to be having with identity theft and illegal immigrants obtaining citizenship documentation The Minneapolis bridge tragedy has many states wondering if replacing old bridges will place new challenges to their transportation budgets. Minnesota was already considering higher gasoline taxes when the accident occurred.

It is interesting that Wisconsin does so well (or do we) that we are able to siphon off millions of dollars each year from our segregated transportation fund for other purposes as designated by the Governor.

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Wood County had negotiated a 2% increase for most county employees as allowed by county tax increases. However their courthouse workers union received a 3% increase but the county has proposed the workers hours be cut to cover the additional expense. Their union is unhappy with this proposal.

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As a result of Steven Avery's wrongful imprisonment 20 years ago, the Legislature passed the "Avery" bill which requires that evidence from a crime be retained by law enforcement agencies until convicted parties are released from prison. While this evidence could be useful, it can take a lot of storage space and maintenance.

For example, Teresa Halbach's SUV and several other large items such as furniture and carpeting related to her case will be kept in storage by Calumet County. Does automobile insurance cover having your car impounded as evidence for 20 or 30 years?

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Like most units of government Milwaukee County could spend more money that it has available. Some county board members have suggested an advisory referendum increasing their county sales tax by a full 1%. To be used for parks, transit, and "property tax relief."

County Executive Scott Walker, noting that neighboring counties do not have the county tax has suggested a referendum to repeal the present half percent county tax.

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The new Congress in an effort to reduce government spending and save taxpayers money has finally found an agency to cut. A small office

in the Dept. of Labor which monitors compliance of unions with federal law.

In the past 6 years, this office has helped secure the convictions of 775 corrupt union officials and restitution of over \$70 million to union members in illegal dues assessments.

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It is unfortunate that millions of popular children's toys have been recalled for various safety concerns, including dangerous lead paint.

While it is commendable and proper that unsafe products be kept off of dealers shelves, it represents an economic waste that probably should have been prevented. Then again, why does a respected brand like Mattel have to switch production to China in the first place?

When we were young a lot of our toys were made out of solid lead without problems. They may have used a different type of lead then.

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We acknowledge that the University of Wisconsin is a great institution and we can point with pride to its scholastic and scientific achievements

That does not necessarily mean they are entitled to a blank checkbook full of taxpayer money when there are other urgent spending priorities facing the state.

The proposed state budget does give the UW system a substantial increase plus students will be paying higher tuition. Still we keep hearing demands for more money to spend and remain competitive.

Perhaps if the systems publicity department would give some examples of efforts being made to initiate economies in staffing (professional and other staff), facilities and general expenses rather than constantly pleading for more money to spend the taxpaying public would be more receptive to their problems.

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According to the Wisconsin State Journal, the UW-Madison now offers about 11,200 different courses, which would be about 3 for every student, They say they are saving money as this is 4,000 fewer courses than 1975 when the total was 16,467.

They claim the lack of curricu-

lum hurts enrollment but at the same time cite the need for more dorms

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One positive for the UW was that this year the school was not listed as one of the nation's top party schools. Perhaps the student body is getting a little older.

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In a recent heavy rainstorm, the City of Racine reported a discharge of 3.78 gallons of untreated wastewater into Lake Michigan. This would be enough to cover a football field with 30 feet of sewage, which authorities claim is a small amount. Kenosha and Milwaukee also have problems with wastewater at times.

Perhaps so, but if a private industry is caught polluting anything they are usually shut down.

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A recent proposal to reduce the number of counties in Wisconsin may have raised a few eyebrows.

It remains that per capita Wisconsin has the most government units such as towns, cities, counties, school districts, fire and police departments, etc., etc., in the country and they all cost money to operate.

Problem is, how could such a proposal save money and streamline government? We would still require schools, police and fire protection, and other municipal services. Could per major expense items such as welfare, courts, employee wages and benefits, overhead and a myriad of other costs be reduced to the point that such a plan would be practical.

Career politicians in office and public employee unions could also be difficult to convince.

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Does it ever occur that the data given us by government number crunchers can be confusing?

A recent news release from the Dept. of Revenue asserted that during 2006 Brown Counties property valuation increase was 3.6 percent. This included new construction and evaluation of existing property, and ranked 69th out of the 72 Counties in the state.

However, an article a couple of weeks ago placed the population

growth of Brown County as the third highest in the state. If this is right, a growth in population does not always equate to an increase in property value. As far as taxes go, it could also indicate higher costs due to the needs of greater population with a proportionately smaller tax base for support. It will be interesting.

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"Debtors Prisons" are usually associated with Charles Dickens novels. A thing of the past? Not necessarily.

A recent article in the Janesville Gazette states that 151 of the 550 inmates in the Rock County jail were committed because for various reasons they were unable to pay municipal fines levied against them. It was not clear if this a statewide problem, and we are sure there are other circumstances involved. Nonetheless, it is expensive to keep someone locked up, and you can't earn money sitting in jail. There must be a better way to do business.

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As the Green Bay City Council works to enforce a plan to control the hiring of illegal immigrants by city businesses, we read of other cities and counties working on various ordinances with the same concerns.

While this is clearly a federal problem it appears many communities and citizens believe it is getting out of control. Write your congressman.

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In the meantime, *The Wisconsin State Journal* reports that Local Latino groups are gearing up to meet a need for social services for workers and their families who get caught up in the federal government's new antimmigration enforcement efforts. Apparently they are finally starting to examine social security records for discrepancies in payroll records.

While there may be some validity to the claim that many illegal immigrants are gainfully employed and quietly living their lives, it doesn't automatically make them legal. There are procedures for entering the country legally and procedures for employers to obtain workers. Illegal immigrants

continued next page ----

also raise concerns over nationally security which should be addressed.

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As of August 21, Wisconsin became the only state of the 50 which had not approved a state budget for the July 1, fiscal year. This is unacceptable, as the states school districts, counties, and municipalities depend on budget details to prepare their own budgets for the coming year.

Wisconsin partisan politics can be blamed, but it is also the responsibility of the Governor to submit a budget that meets the needs of the state, that taxpayers will accept, and has a chance of being approved by the legislature without squabbling over controversial issues. Major new spending proposals and policy items should be debated and approved on their own merits by the Legislature during regular session and not planted in the budget at the last minute by the Governor or Senate.

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While most of our cities and counties face problems finding new places to dispose of garbage including that shipped to Wisconsin by other states, the City of La Crosse has a system they describe as "light-years ahead" in terms of technology.

Rather than dump waste in a pit or pile it up in a mound that will last forever, they installed a system that incinerates waste while at the same generating electricity while reducing the need for landfills.

Hardly a unique idea. It was used by Green Bay back in the 50's and 60's. Only problem was that the technology of that time allowed too much pollution to escape to the atmosphere. The facility in La Crosse is state of the art and complies with existing pollution standards. They are even digging up waste buried in landfills years ago and burning it to prevent groundwater seepage. This may be something worth looking at.

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While on the subject of garbage, Rep. Spencer Black of Madison, citing that Wisconsin imports 11.3 million tons of garbage annually from neighboring states is proposing the state increase its fee to \$10.00 per ton to discourage out of state garbage from being hauled here. Sort of like raising the cigarette tax by \$1.25 to discourage smoking.

Problem is Illinois and Minnesota will still keep sending us their trash for permanent safekeeping.,

If Rep. Black really wanted to discourage our neighbors from sending stuff to Wisconsin, he should suggest building a solid waste disposal site on the outskirts of Madison. That would get action.

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Proponents of "Healthy Wisconsin" are tapping the usual PR resources to promote their plan. Favorable polls, people without insurance, and even illegal immigrants demanding health care coverage. What they seem to leave out of the equation is the \$14 Billion (estimated) annual cost and just who will pay for it.

While they claim the plan will save money, \$14 B divided by 5.6 M Wisconsin residents equates to an additional \$2,500 per which someone will have to pay. Figure it out for yourself – it's obvious that the Wisconsin State Senate didn't.

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We are all used to competition from business's such as super markets, discount merchants and home improvement stores building bigger and better to get our business.

Despite a referendum several years ago to limit new casino gambling in the state, several new facilities are planned. The latest is a 300,000 sq. ft. complex near Shawano that will also include a 292,000 sq. ft. parking garage. Build it and people will come.

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A lot of states are apparently jealous of the national publicity lowa and New Hampshire receive with their early Presidential primaries. Several states are making efforts to move their primaries up to get some of the action. Trouble is, the actual elections are well over a year away, and the primaries can decide who the major party candidates will be (or won't be) months before their conventions intended for the purpose.

With candidates spending millions just to convince voters in just one state, campaign finance reform will become more of a challenge. If any number of the larger states pledges to a candidate the political conventions and possibly the election could be over months before we vote.

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Campaign finance reform has a long way to go before political contributions and buying political influence are separated. As it stands now, candidates for major office must pull all the stops in order to pay for the advertising and staff to get them elected.

It is probably more than a coincidence, however, that the most money comes from those the candidate can do the most good for if he is elected. The Wisconsin Democracy Campaign reports that 20% of his contributions came from out of state sources. Much of this was from computer, pharmaceutical, consulting and other firms hoping for state business.

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Governor Doyle has been working the state visiting school districts while chastising the legislature for not approving a state budget for his signature. School districts are unable to prepare their own budgets until they find how much support they will receive from the state.

The governor could accept some of the blame for submitting a budget unacceptable for passage by the legislature and difficult for compromise. As this is written, we are the only state that has not approved a budget.

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Wisconsin law is unique in that the Governor can "partially veto" a budget item, and then combine a number of partially vetoed items into new legislation to his liking. It may have been a good idea, but recent Governors have used the authority to advantage, in effect taking power away from the Legislature.

An example is Gov. Doyle's changing 750 words in the 2005 budget which transferred \$330 million from the transportation fund to increase funding for local schools.

A constitutional amendment

has been proposed, but critics have noted that the way it is written, we would still have problems if it passed.

In other words, whatever budget the legislature approves and sends to the governor, it is subject to change when he signs it into law.

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Recently some Wisconsin legislators have been criticized for holding part-time jobs while serving in Madison. While it is true that the Legislature should demand 100% or ones time and the pay and benefits are fairly good there are different ways to look at it. While the expertise of a business, legal, or any other background can be helpful, how do you distance yourself from legislation which could effect your trade?

It wasn't that many years ago when the legislature only met for a couple of months per year, and then returned home to the farm or whatever until the following year.

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Citing an unacceptable 18.1% high school truancy rate in 2005-06, the Green Bay Area School District has announced that the Truancy Court will held weekly in each of the cities 4 high schools in an effort to correct the problem. This should be a good move as you can't properly instruct students who don't attend classes. In addition, taxpayers supporting the schools are not getting what they are paying for, Sort of like buying Packer tickets but not going to the games.

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The Green Bay Metropolitan Sewerage District and the City of De-Pere have finally announced a merger agreement to become effective Jan. 1.

This should result in cost savings for DePere residents and better utilize the Metropolitan facilities.

The main objection from the DePere City Council seemed to be that some of their employees would no longer be needed. Unfortunately that is the main area where necessary cost savings can be realized if taxes are a consideration. We can assume other city employment opportunities will be available.

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A committee appointed by

Gov. Doyle has been studying racial disparity in the states jails and prisons. This is not a new problem and what solutions the committee has in mind are not yet clear. Perhaps separate laws, court systems, punishments and prisons according to race will be their answer.

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In 1984 the Legislature ruled that 10% of state purchasing be placed with minority owned business. (not necessarily from Wisconsin).

The state purchasing dept. has yet to meet this goal. What could really help the state would be a requirement favoring business located in the State of Wisconsin.

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The massive, socialized. mandated "Healthy Wisconsin" plan clandestinely placed in the senate version of the state budget defies comment. What can we say?

While it could simply be a political ploy designed to chastise all those opposed to such a program come next years election it could have a dramatic effect on our economy and patterns of living if ever enacted. All it would take is to include it the present budget being negotiated.

Whether you would endorse such a scheme probably depends on if you personally will truly benefit or not. Remember that even with the faults and expense of our present system many if not most people are content with what they have. This plan was designed by politicians and would change (or upset) just about everything now in place.

What is frightening to me is that our elected officials can circumvent open discussion, economic factors, and outright necessity to propose such a plan. Are we still living in a democracy? What next?

The Wall Street Journal even ran an editorial on the proposal, commenting on the cost to business and especially small business's who already are struggling to provided employee benefits. They comment that costs to support the plan are designed to rise In coming years, and that Wisconsin "may become a Mecca for the unemployed, unin-

sured and sick from all over North America- - while losing productive workers who leave for less-taxing climes." They estimate the cost of the plan would raise the state taxes a worker pays to 20% of family income.

John Stossel of ABC news wrote that "Wisconsin should experiment with socialized medicine so the rest of the nation can see what a bad idea it actually is." He further observes, "The fall of the Soviet Union deprived us of the biggest example of how socialism works. I feel sorry for the people in Wisconsin. They already suffer from little job creation."

We acknowledge that factors are falling in place for some type of health care reform. Please read the article in this *TAX TIMES* entitled *10 Principles of Health Care Policy*. The need is not for free insurance at the expense of others but a sensible look at factors driving the cost of health care by a broader base of experts than the Wisconsin Senate.

As usual, lots of things to wonder about.

Jim Frink

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"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."

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"Politics is the art of looking for trouble, finding it everywhere, diagnosing it incorrectly, and applying the wrong remedies." . . . Groucho Marx

The TAX TIMES

Brown County Taxpayers Association P. O. Box 684 Green Bay, WI 54305-0684 PRSRT STD U. S. Postage PAID Green Bay, WI Permit No. 255

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The TAX TIMES - September, 2007

BCTA Meeting and Events Schedule - MARK YOUR CALENDARS.

Thursday - September 20, 2007. BCTA Monthly Meeting. 12:00 Noon TITLETOWN BREWING Co., 2d Floor Meeting Room.

Speaker: Paul Jadin, Pres., Green Bay Chamber of Commerce

50 STATE COMPARISON BOOKLETS AND 5 Year Comparisons will be distributed to attendees.

- Thursday October 18, 2007. BCTA Monthly Meeting. 12:00 Noon TITLETOWN BREWING Co., 2d Floor Meeting Room. Program to be announced.
- Thursday November 15, 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 Titletown 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.

September,



"Lotteries wouldn't be so popular if they were still known as the numbers racket." . . . Doug Larson

"Our political leaders failed to grasp that we consider citizenship a privilege, not a political chip to curry favor with Hispanic voters."

. . . Dick Yarbrough

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