

Über Trick or Treating.

A friend who knows Wall Street described to me the über leveraging of financial institutions as a function of very complex derivatives. What is leveraging? Remember that schoolyard teeter-totter when a heavier kid could balance the lighter kid by sitting forward on the board; that's fun until that heavier kid gets off and you went flying into the ground. Until that kid moved the additional length worked to your advantage "leveraging" your lesser weight. If the big guy gets off the board too fast you hit the ground hard, cracking that tailbone, the equivalent of being over-leveraged.

Ok, now what is a derivative? I asked that one myself and he told me that a derivative is a financial contract that says you either may or will do something, IF something else happens. The contract allows you to either buy something, for instance oil, or you can buy a derivative whose value depends on the thing, like a right to buy oil at \$90 per barrel. That right is only valuable IF oil is above \$90 per barrel. So the value of your right to buy -- a "call" option -- DERIVES from the value of oil.

Unfortunately, if you can believe it, some State School District investment officers dabbled in these derivatives to grow their underfunded pension plans. They are rubbing their tailbones now. The July/August issue of Capital Ideas from the National Taxpayers Union states that the US Postal Service "unfunded health care liabilities benefits are estimated to be \$64 billion...projected to balloon to over \$1 trillion in 2045." We know that is unsustainable.

But the WILL-IF derivative structure reminded me of something else in the context of over-leveraging. The Oneida WILL pay me \$35 for every dollar invested IF the little silver ball settles in Red 23. Now that's keeping it local.

There is a point in our over-inventive financial markets at which money is not MADE but WON. It becomes a zero-sum game that does not grow but cannibalizes our economy. On Wall Street it's short sellers, people making money from the falling value of a company and the crime is that you don't always have to own any company stock. Cannibals eating the dead and dying, is this our America? When folks get a clearer picture the backlash could be brutal.

Like Wall Street, government has gotten too greedy and clever with taxes and our economy has ceased to grow. Taxes fairly collected and spent should promote our economy to grow. We are trapped in a tax hell, but before we start 'short selling' ourselves, like School Districts dabbling in derivatives, we must consider other ways to escape.

Some of these escape plans will be risky, but won't be as irreversible as over-taxing ourselves or landing on our tailbone. Like ending the corporate income tax. Just ending it. Almost nobody pays it anyway; revenues have steadily declined toward zero for decades as the tax code has been predicated towards reducing the tax. What's worse, the tax code has incentivized companies to leave our shores to avoid the tax taking jobs with them.

What if we just treated corporations like personal income generators and just taxed the personal income? What a gift to our business community. We could also stop the corporate welfare -- those tasty pastries known as tax credits and state grants. Our economy would grow like crazy.

And we could get rid of the impossibly arcane half of the tax code and axe a few thousand state workers on the corporate sides of the Depts. Of Revenue and Commerce. This might help Diamond Jim get re-elected by actually making progress toward his impossible promise to cut 10,000 state workers. But if he is willing to sign such a law, I am willing to risk putting him back at the helm for another four.

And that's the truth, Ruth. See you next month. Enjoy Halloween. Trick or treat! Don't answer that!

Richard Parins, President

The BROWN COUNTY TAXPAYERS ASSOCIATION
Promoting Fiscal Responsibility in Government

A POLITICAL STATEMENT.

No matter if you're a Democrat, Republican, Independent or Libertarian, I'm sure you share my dismay and disgust at the flurry of trash being tossed at and by, all the top candidates. I respect Obama, Palin and McCain equally, and try to ignore the personal attacks and diversions.

On the local level, the worst I've seen were the incessant mailings by both the Kagen people and Republican Party for the Eighth District during the last election. That's already started again.

The media are a large part of the blame, gleefully reporting every bit of dirt and innuendo. Rather than stressing candidate positions on the issues, media devote themselves to personal family matters and other insignificant trivia being emailed, blogged, rumored and reported from all sides, true or contrived, that having nothing to do with ability or performance.

The media ignore history as well, not mentioning roles highly competent women have played world wide, as heads of state, with such notables as Golda Meir, who was a grade school teacher in Milwaukee prior to becoming Israel's first and Brilliant Prime Minister in her seventies, Margaret Thatcher, of England, Indira Gandhi of India, or presently Angela Merkel of Germany, just to name a few. All of these ladies played important roles on the world stage, and neither age nor gender mattered. Speaking of age, I think that too is insignificant. Experience comes with age, as with Golda Meir.

Konrad Adenauer began his career in the pre- World War One era, as a minor activist, and became the Chancellor of West Germany in 1949 at the age of 73 with a slim majority. By 1950, West Germany with Adenauer at the helm, surpassed the stature of prewar Germany and soon became the top industrial country of Western Europe, with a solid economy. Der Alte,(The Old One) Adenauer presided for 14 years, providing firm, experienced, and resolute leadership, working with all parties and other countries, making possible the German economic miracle, and also leading to the reuniting of East and West Germany.

Charles de Gaulle was no spring chicken either. The French war hero stabilized France and its economy as the Premier, and later as President of the Fifth Republic, a Hawk initially, he changed his position and ended the Algerian Crisis as President of the Fifth Republic. De Gaulle spent eleven years in office.

On this side of the pond Let's not forget our own Great President Reagan. He also was considered too old by some pundits, yet served two terms during which he ended the Cold War, rebuilt and strengthened our military and our economy. *(His only prior experience was as a Governor)*

The majority of American Voters probably only vaguely recall those mentioned or what they accomplished, including Reagan. I only touched on a few notables briefly here. I remember them all with admiration for what they accomplished. *(Even de Gaulle.)*

I've been around for eight decades, casting my first vote proudly for Harry Truman and serving my country in WWII, as did the majority of young men my age, and later in combat with the Marines during the Korean War, many of them from this area.

I have served on the County Board and in the State Assembly, but I never voted a straight party ticket. I consider myself an Independent voter who votes for the individual I perceive most qualified for the office, Party be damned. I hope those who read this will ignore the phone calls, mailings, trashing of opponents, and vote strictly on the merits of the candidates themselves. This election is too vital to be trivialized. **Otto Junkermann – BCTA**

"The prosperity of commerce is now perceived and acknowledged by all enlightened statesmen to be the most useful as well as the most prolific source of national wealth." . . . Alexander Hamilton
"Practical politics consists in ignoring facts." . . . Henry Adams

September Meeting Notes. Mayor Schmitt Addresses BCTA

Monthly meeting held Sept. 18, 2008.

Green Bay Mayor Jim Schmitt discussed the upcoming City budget and other significant local issues. He began on a positive note by reporting that building permits in Green Bay are up by 19 percent and noted crime statistics are running about even with last year.

He explained that 85 percent of the City budget is wages and benefits and has cut non-labor expenses as much as he can. Business as usual would cause a 17 percent tax increase. City employees have bargained very effectively. City jobs are attractive, with often 100-150 applicants for an opening. Health insurance costs \$16,000 per employee. The City's benefit package is 67 percent higher than the private sector. The mayor wants to get it more in line with the county and other local units of government. Consolidation of services will help, but not cure the problem.

Additional costs come from an influx of residents that are more costly. Many problems come from rentals. About 6 to 8 landlords are the source of most problems. Temporary permits are being considered to resolve these problems.

Mayor Schmitt discussed downtown development. He noted that no residential property tax dollars are being used for the City Deck. Phase I of the project has secured \$7 million of funding from various sources and the bids came in at \$5.5 million. Construction is scheduled to begin on October 10. The Children's Museum will have 15,000 square feet of space. Already, \$2.2 million of the project's \$3.5 million cost has been raised. Finally, the mayor observed that the Younkers' suit is dragging on, but he remains optimistic about the outcome.

Rich Carlstedt encouraged everyone present to attend the Green Bay School District Enrollment Task Force meeting later in the day. The meeting may draw all issues to a close as the Task Force votes on the high school solution. No new school is proposed. Options are either a small addition (\$2.5 million) on Preble High School or redistricting the entire 9-12 grade boundaries, which is a low cost solution (busing costs only).

The Maintenance Budget has expanded to about \$70 million and the importance of making it a high priority was established by a sub-committee. Using budget or referendum actions remains the responsibility of the School Board. The entire 14 months of work should be wrapped up in the next few weeks with final suggestions submitted to the School Board sometime in October.

The next meeting is scheduled for Oct. 16, at Titledown with state Rep. Phil Montgomery. Details on last page of this *TAX TIMES*.

Dave Nelson – Secretary

15 Questions To Ask Candidates For State Office.

MADISON—Would you support raising the state sales tax to increase aid to schools—or to trim state income tax rates? How about increasing property taxes on businesses or eliminating the state corporate income tax? Should the state be required to maintain a funded "rainy-day" reserve or to limit, in some way, its expenditure growth?

These are just a few of 15 questions on state finances prepared by the nonpartisan Wisconsin Taxpayers Alliance (WISTAX) to promote voter understanding of complex fiscal issues and to aid them in evaluating the positions of state legislative candidates. The short questions, along with concise background information, are contained in the latest issue of WISTAX's Wisconsin Taxpayer magazine. The questions are also available on the research group's web site, www.wistax.org.

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State Finances

Question 1: Would you support legislation outlawing transfer of monies from restricted funds to the general fund?

Question 2: *Would you support requiring the state to maintain a biennial budget reserve equal to 2% of general fund appropriations beginning in 2009?*

Question 3: Would you support requiring the state to build and maintain a rainy-day fund equal to 5% of annual general fund appropriations, phased in over five years?

Question 4: *Would you support legislation requiring the state to use generally accepted accounting principles in budgeting as it now does for financial reporting?*

Taxation

Question 5: Would you support eliminating the constitution's uniformity clause so the legislature could reduce property taxes on residences and increase them on business?

Question 6: *Alternatively, would you support eliminating the state corporate income tax to encourage business investment in Wisconsin?*

Question 7: Would you support increasing the state sales tax rate from 5% to 6%, netting an additional \$800 million or more that could fund increased state school aid to "buy down" school property taxes?

Question 8: *Would you support increasing the state sales tax rate from 5% to 6%, netting an additional \$800 million or more, that could be used to cut state income tax rates by about 12%?*

Budgeting

Question 9: Do you support a state constitutional amendment limiting the amount of annual revenue growth that can be spent to the combination of inflation and population increases?

Question 10: *Alternatively, would you support an amendment that linked spending to growth in state per capita personal income?*

Question 11: Unlike Wisconsin, about four-fifths of states limit

in some way the length of their legislative sessions. Do you support a constitutional amendment (or state law) that specifies that, except for an emergency, the Wisconsin legislature could not meet after July 1. of any year?

Question 12: *Do you support changing statutes so that state money may not be spent in a new fiscal year unless authorized by a state budget for that period?*

Question 13: Do you support changing the state budget process so that gubernatorial budgets could first be acted on by budget committees and lawmakers in each house before going to the JCF, which would act as the final conference committee?

Health Care Financing

Question 14: *Do you support Wisconsin following current federal income tax law that provides for tax-free health savings accounts (HSAs) to encourage greater consumer participation in health care decision-making?*

Question 15: Do you support the "Healthy Wisconsin" plan proposed last year that would move people from existing health insurance plans sponsored by private and state-local public employers to a state-government-sponsored program? The \$15 billion needed annually to fund the universal plan would be generated from a 14.5% wage tax whose costs would be shared by employees and employers?

The complete report includes background information on each of the questions, along with possible implications including tax impact and any savings to be realized. Included in the report is information regarding the make up of the Wisconsin Legislature including comparison with other states as to size, salaries, length of sessions, etc.

A free copy of *The Wisconsin Taxpayer* report "Questions for State Candidates" is available by contacting WISTAX at 401 North Lawn Ave., Madison, WI 53704-5033; e-mailing wistax@wistax.org; visiting www.wistax.org; or phoning (608) 241-9789.

National Debt Update.

At the end of September, the U. S. National Debt had climbed to Nine Trillion, Eight Hundred fifty-seven Billion, and a few Million odd dollars and cents. It was up just about \$200 Billion dollars even from the start of the month.

In the meantime Congress and the Presidential candidates discuss a Seven Hundred Billion bailout of the banking industry. Maybe it will work and maybe it won't. We can agree with the part about not giving "golden parachute" severance bonuses to the incompetents who created the mess, but who gets to spend the remaining \$699 Billion of our cash?

Congress keeps forgetting that our enormous National Debt is largely to blame for the mess in the first place.

How much is a Billion? If you took one billion dollar bills and laid them side to side, top to bottom, they would cover about 40.5 square miles. Seven hundred billion would cover about half the state of Wisconsin, including lakes. Figure it out for yourself. You could save some space by using \$100 bills. What's the difference? A billion is still a billion.

Does Congress really care about the national debt? After the election they will just blame it on the other guy. **JF**

August Meeting Notes. *Supervisor Evans Addresses BCTA.*

Monthly Brown County Taxpayers Association meeting August 21, at Tiletown Brewing Co.

Brown County Supervisor Patrick Evans addressed the August BCTA meeting, discussing budget issues. Supervisor Evans represents the 10th District on the west side of Green Bay. He began by expressing his concerns about the effects of the Section 8 housing program on the City of Green Bay. The Section 8 program in Brown County is administered by Integrated Community Services (ICS) which receives additional revenue for additional clients on the Section 8 program. The inflow of people to obtain Section 8 subsidized housing adds to welfare problems and increases welfare costs.

Supervisor Evans stated that Brown County needs more shared services to eliminate duplication. He noted that state mandates are a last minute unknown in the annual budget process. The costs of welfare for illegal immigrants are difficult to identify and there seems to be little enthusiasm by county officials for identifying those costs.

The \$1.3 million overrun on the County's call center project was criticized by Supervisor Evans. He questioned why the need for adding a break room and card access equipment came up so late in the project. He also wondered why winter construction costs could not be avoided.

Supervisor Evans stated that we need more taxpayer representation at public meetings. Spending advocates are regularly present in significant numbers, but taxpayer presence is usually sparse. He is optimistic that the Task Force to End Homelessness will have some success finding a solution for the problem of the chronically homeless.

Tony Theisen, candidate for the 88th Assembly District, spoke about his advocacy of taxpayer interests during his many years of service on the Green Bay City Council and the Brown County Board. He is currently serving as a Green Bay Alderman and a Brown County Supervisor. He also outlined his concerns about irresponsible spending by the state legislature.

Rich Carlstedt gave an update on the Green Bay School Enrollment Task Force. This report is covered separately in this Tax Times.

The next BCTA meeting is scheduled for October 16, at Tiletown Brewing. The scheduled speaker will be Green Bay mayor Jim Schmitt. Details on the past page of this Tax Times. **Dave Nelson - Secretary**

Can You Spare a Dime. (*Or Some Time*)

After writing about schools and education, I received emails from people of the more liberal persuasion, they argued for more government programs for even younger children. Their reasoning (feeling?) goes if the parents aren't doing their job (yes, it is a job with real duties) raising children, society would be better off with more programs. They usually argue more taxes and spending today will save money tomorrow, somehow.

Some believe that right from the moment children are born, the state should parent for those parents who don't or can't do their parenting job. Since we can't judge the quality of parents (it might make some people feel bad), the government should parent all children. Of course, we aren't supposed to talk about the money that will cost. After all, it is for the children and society, according to them.

This line of reasoning comes from the belief that a system can and does care for children (everyone). We need additional programs, because we don't want kids to suffer or fail to reach their full potential (whatever that means). So the government needs to step in and do more for all the kids. Why stop at only those kids that truly need help. Those kids will feel bad about themselves for being singled (grouped) out for more systemic help.

A different suggestion, respectfully offered, to liberals is that they do their part in addition to sending their money to the Internal Revenue Service (taxes). They should give money and time to organizations that are helping kids succeed, like Big Brothers Big Sisters. They do a wonderful job, making a real difference in real children's lives, one at a time (they have a private system to do it, too).

What I find interesting is the thought that only a new or expanded government program can make the differences that are needed.

In a book recommended to me by one of my Notes readers, *Who Really Cares* by Arthur C. Brooks, the author points out that government spending "crowds out" private giving. "Big government", tax and spend liberalism, has less impact on peoples' welfare than private giving. Because government programs relieve us of personal responsibility of caring for others as individuals. This leads to an "I gave (forced giving) through my taxes" attitude.

Food for thought. Private charity keeps us connected with our community in a way that government spending can never accomplish. I find it interesting that liberals want the government to step in and fill every need. (So they don't personally have to?) Arthur Brooks also points out that conservatives give more generously (at all income levels) than liberals. I wonder why this is? Perhaps it is the belief by some that most government programs are cost effective, efficient, and well designed. Perhaps it feels better when the other guy is forced to give through taxes even if he wants to spend it on his or her family, kids and personal needs and desires.

It is interesting that those who want less government give more than those who want bigger (more expensive) government. Maybe this is because liberals give at the altar of their government.

Rep. Frank G. Lasee

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"A promising young man should go into politics, so that he can go on promising for the rest of his life." . . . **Robert Byrne**

"When buying and selling are controlled by legislation, the first things to be bought and sold are legislators." . . . **P. J. O'Rourke**

Wish You Were Here!

We received the following letter from a member of the BCTA who moved to Kentucky a few year ago.

Dear BCTA members:

"I still really enjoy getting the *Tax Times*, but I get sick hearing about the "tax-pain" you folks are going through back there.

Where I live now, my annual property taxes (city, county and state) are currently 35% of what I paid in Wisconsin on a smaller house, even though that's up 33% over what we paid when we first moved here. This total includes a state personal property tax on our two cars. I can only imagine what my Wisconsin taxes would be now.

Our electric rates are the lowest in the country. Natural gas rates are in about the middle of the pack nationally. About three years before I moved here, the city privatized trash pick-up saving the average residential customer about \$300 per year from the old city rates. With competition those rates have remained low, and the service is outstanding.

Weekly trash and recycling pick-up, and weekly service on garden and brush removal (but only 48 weeks a year—they take off in January so they can handle Christmas trees and other green decorations, which they convert into mulch for city parks and flower gardens). If you have special trash—such as old lawn mowers, water heaters or other appliances—you make a phone call and it is picked up within 24 hours at no charge.

Also, there are no state income taxes on social security or pension or IRA redemptions.

Life is good. Say hello to my friends in Green Bay and keep up the good fight!

Sounds great! Let's send a committee of our local officials down there to take notes. JF

"The whole aim of practical politics is to keep the populace alarmed (and hence clamorous to be led to safety) by menacing it with an endless series of hobgoblins, all of them imaginary." . . . H.L.Mencken

"A politician needs the ability to foretell what is going to happen tomorrow, next week, next month, and next year, and to have the ability afterwards to explain why it didn't happen." . . . Winston Churchill

School Task Force Reaching Conclusions.

The Green Bay Enrollment Management Task Force is close to reaching conclusions in their studies of enrollment for the next 10 years. General agreement has been reached regarding elementary projections and the task force will submit suggestions to the School Board to address some of the school crowding expectations.

Three elementary schools would need to have additional rooms added on the East Side of Green Bay, and some redistricting is required to balance school loads. The leasing of empty parochial schools (recently vacated) and available to use in the heavily populated districts, offer a significant reprieve as well.

The Board will use the Task Force study and suggestions, before finalizing their actions and policy. The use of available classrooms and adding selected school rooms potentially reduce the need for a new school (15 to 25 million?) and spread the capability over a larger area. The starting of a four year old kindergarten this year by the district compounded the needs for elementary space.

The Task Force has reached several solutions to address projected High School enrollment loads. You may recall the failed referendum of February, 2007 when Green Bay district Voters rejected the building of a new high school with a 61 million dollar price tag by a 2 to 1 margin. Using Task Force agreed upon formulas, and close evaluation of current elementary and middle school enrollment, projections for the next ten years show that a small addition or use of portable class rooms at Preble, will solve their problem short term (5 years), or full redistricting of the high school boundaries will utilize currently available high school space more efficiently and require no capital expenses for the next ten years. Suggestions were also made by the subcommittee that Magnet and Charter Schools be considered, as that focused curriculum (technical, medical, business), could draw students away from heavily populated schools to open class rooms- on a voluntary basis.

The Maintenance issue of the District, which said it needs 61 million dollars or more to provide maintenance to the existing 37 buildings is still being reviewed by the Task Force. This dollar amount may change for several reasons. The current concept is to divide it into smaller bonding sizes over a 5 year period. At the beginning of the Task force work in July of 2007, it was stated as being "existing maintenance" but it is apparent that some of the needs are not currently outstanding.

The district also has to address the new Whitney School. This building was a gift from Bellin Hospital to the district. It formerly housed their physical therapy center before they built a new facility near the Green Bay Airport. Costs will be forth coming on this project.

At the heart of this charge to the task force, is the responsibility of the School District to the voters and taxpayers, to adequately maintain the buildings and facilities they have been entrusted with. The maintenance budgets have been cut continuously while salaries and programs have been expanded, and some of those were sizable. The District places blame on a lack of state funding requirements under Revenue Sharing (RS), and the Qualified Economic Offer (QEO). Data from the Wisconsin Taxpayers Alliance, which derived its information from the Wisconsin Department of Public Instruction, shows Green Bay as spending at least 10 percent under the state average for buildings and grounds. Work continues to retrieve more information for the financial Sub-committee of which I am a member, and discussing this important tax issue. Stay tuned.

Rich Carlstedt – BCTA

Things That Make Us Wonder.

Every weekend the federal government spends a pile of taxpayer money for jet fuel and related expense to fly air force planes over NFL stadiums. It makes a nice show for about 10 seconds and is certainly impressive if you sitting in the stands. For some reason this display of patriotism along with the national anthem is preempted by commercials for the TV audience. Other sports like Nascar and baseball show more respect for our country. Shame,

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With the election gaining steam, the candidates are making personal appearances all over the country to gain exposure. Often this happens with little prior notice. Most cities take pride in the publicity as they gain national attention.

Unfortunately these visits result in unanticipated but necessary taxpayer expenses for security at the events, disruption of traffic caused by motorcades, etc. Attempts at charging political parties or other sponsors of these visits is certainly in order but may or may not be successful. It could be more difficult to tell these people to stay away.

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Another thought on the subject. At times local officials are pressured by various interests to endorse at taxpayer expense this or that civic project. The motive and justification being that it will bring in tourist money and be an asset to business. This is sometimes difficult to prove.

When a political event brings national publicity and visitors to town isn't the same thing? Do events such as the downtown festivals, Packer games, etc. also make reimbursement for the security expenses they create?

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The state Dept. of Public Instruction claims that 8,000 school children in Wisconsin were identified as being homeless at the end of the 2006-07 school year. This includes 600 from Madison alone.

This is incredible and certainly alarming. Whether this is a constant problem or another excuse to demand more funding was not disclosed. There

must be a better definition of homelessness. Do they spend the night on park benches or in abandoned buildings?

We acknowledge some people are better off than others, but it is difficult to imagine children attending a public school in Wisconsin and not have some kind of home to return to at the end of the day.

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Nobody knows how the Federal Governments \$700 Billion+ "loan" to AIG and various financial entities will play out but at this time there is cause to wonder. Government in general has a poor record of managing any business from a golf course to railroads and the nations financial infrastructure.

It is a complicated mess that possible could have been prevented.

It further appears that these decisions are being made by a handful of officials with little input from Congress, (which may turn out to be just as good once they start debating.)

Allowing the national debt to grow out of control by Congress is certainly part of the problem. More government regulation of the housing, banking, insurance, automobile and construction industries will certainly be suggested as answers (especially leading up to the election). What next, failed shopping malls and fast food chains?

Problem is that every time federal money is involved available it usually ends up benefiting the wrong party at the expense of many others, and we all have a stake in this one.

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An editorial In the Post-Crescent claims that the Wisconsin Commerce Department grants about \$200 million a year that say the money will help them keep or create jobs in Wisconsin. Although some of the money may seem to be expanded as bribes or political favors, we acknowledge that taxpayer assistance is sometimes a good investment.

Trouble is the lack of tracking after the money is handed over. The article mentioned a company that moved from Florida with the help of a \$290,000 grant but so far only has one employee and no revenue. An analysis of 25 companies that received \$80 Million over a 6 year period found that 40%

of the jobs promised never materialized.

There are undoubtedly many success stories of employers partnering with the state and contributing to the economy and these should be publicized.

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The Capitol Times reported that the Ho-Chunk tribe has agreed to pay \$60 Million to the state to settle a gambling compact dispute. This was \$12 Million less than the state claimed it was owed and had anticipated for the budget. The state also had to pay \$1.5 Million attorney fees.

The Ho-Chunks now will pay 5% on winnings below \$350 million and 5.5% above. The Potawatomi's pay a straight 6.5% and the Oneida's pay 4.5% under \$350 Million and 5.5% above. Re-negotiable after 25 years.

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The Stock Market provides the income for most retirement accounts, and irregardless of efforts by politicians to limit corporation profits, it is these profits that keep the stock market going.

Even the Wisconsin State Employee Retirement Pension Fund understands this, and estimate they lost about \$2 Billion the day the market dropped when the AIG sellout was announced.

Lets hope they don't make taxpayers responsible for their investments.

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The Green Bay School District claims that several schools are in need of extensive repairs and renovations.

This is due to the age of the buildings, the need for increased or updated facilities, and the fact that maintenance expenses have been postponed to balance the annual budget.

Unfortunately these items will probably have to be addressed at a time when increased heating costs, bus fuel and a new labor contract for teachers will also be imposed on taxpayers.

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The 35W bridge in Minneapolis has been reopened after only 335 days of construction. Three months ahead of schedule. This shows that things can be done quickly if necessary.

The huge cost of \$234 Million was justified by working day and night to complete the project, and an estimate that it was costing area residents about \$400,000 per day in lost time and fuel

due to detours during construction.

Now they want to give the builders a \$27 million bonus (*at taxpayer expense*), for getting the job done ahead of schedule. While that is a nice thought, there are thousands of critical bridge and infrastructure projects waiting to be done around the country. It is not uncommon for taxpayer supported construction jobs to be far over budget and giving a bonus for working a little faster could result in shoddy workmanship.

Available funds are tight on all levels, and any added costs are difficult to justify. Now if we could only get rid of the prevailing wage requirements.

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Recently watched the movie "Catch Me If You Can," based on the story of a 1970s era con man and check forger. He was so good at his trade that when the FBI finally captured him they gave him a job at their headquarters as a consultant to their agents in catching other check forgers rather than lock him up for life.

Sometimes it appears that the drug dealers and those who smuggle illegal immigrants and provide them with counterfeit documents know more about their business than the law officials we pay to control them. Is it possible it would be practical and save taxpayers some money if a couple of them could be rehabilitated for their expertise than to pay for locking them up.

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Do you ever wonder where politicians and others using statistics to make their point get their numbers?

Often it appears they rely on estimates, loose sampling, or some other **SWAG** method. An item from *The American Legion Magazine* is of a group pointing out a health care crisis as the basis for Universal Health Insurance. They claimed that in 2004 **45,820,000** U.S. had no health insurance. This was based on a total of **198,262,000** who had private health insurance, and a total of **79,086,000** with Government health insurance.

Trouble is these three numbers add up to 323,198,000 and the U.S. Population at that time was only **291,155,000**. Still bad but a lot of people do not want or need health insurance.

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Within the last 20 or so years just about every major sports team in the country (including Green Bay and Milwaukee) have come up with a new venue supported at least in part by taxpayers.

Each one seems to be designed to outdo the others. It has happened. The New York Yankees (*generally regarded as the richest team in sports*) has opened a new stadium described as receiving the most public funding ever. This includes \$2-4 million in direct subsidies and \$941 million in tax exempt bonds. Now the Mets think they need a new stadium also.

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Watch your pocketbooks. Members of the Milwaukee County Board are requesting a referendum to approve a 1% sales tax to pay for parks, recreation and culture, transit and emergency medical services.

They claim it would provide property tax relief. This is the standard story used in the state (and elsewhere) for every sales tax imposed, and we doubt there are many instances where property taxes are significantly reduced. Especially after a couple years.

A reduction in property taxes would be an excuse for more spending, and a tax for a special purpose would be a blank check. If the legislature allows Milwaukee County this privilege it would not take long for every county in the state to demand the same.

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While simply raising sales tax rates could be one of the easier ways to increase state revenue, Wisconsin has long had it's eye on the "streamlined" sales tax which is another way of saying a method of enforcing payment of sales tax on purchases through the internet and direct mail. There are also a few items not subject to sales tax in Wisconsin which they would like to add to the list like haircuts, advertising, legal fees, etc.

The *Wisconsin State Journal* claims higher sales taxes would become a reality if Democrats regain control of the state legislature.

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The Green Bay School district has approved a 2008-09 budget

with a 4.3% spending increase over last year. They were able to provide for contracted salary increases by eliminating 35 full-time teaching positions and 17.6 support positions. Certain equipment such as computers will be leased rather than purchased as a money saving measure. Still to be addressed is the problem of needed maintenance and renovation of existing schools for future enrollment shifts in the district.

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November 4, is only a month away and we already seeing the sleaziest types of advertising on both the state and national levels on behalf of those who want to represent us in the management of our government.

The first rule seems to be the first to accuse your opponent of running a "negative" campaign. Next, distort their voting records any way you want, and don't allow them to respond. Carefully examine your opponents source of contributions for any sign of special interests, but cover up your tracks.

Be vague about what you will do once in office but question your opponents intentions. Finally, promise that when elected you will fight for campaign finance reform, and oppose special interests. Don't count on it. We've heard it all before.

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 - October, 2008

BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

Thursday - October 16, 2008. BCTA Monthly Meeting, 12:00 Noon.
Titletown Brewing Co., “Frost” Room.
Speaker – State Representative Phil Montgomery.

All candidates for public office are invited to attend and be recognized.
Note: Due to construction on Dousman St., we suggest taking Broadway to Kellogg St., for access to the Titletown Parking lot.

Tuesday - November 4, 2008. FEDERAL AND STATE ELECTIONS.
Vote for the candidate of your choice, but be sure that you, your families and neighbors VOTE !

Thursday - November 20, 2008. BCTA Monthly Meeting 12:00 Noon.
Titletown Brewing Co., “Frost” Room
Discussion of Election and Impact on Taxpayers.

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.

October,
2008



“Politics is the art of looking for trouble, finding it everywhere, diagnosing it incorrectly, and applying the wrong remedies.”

. . . Groucho Marx

“Did you ever get the feeling that the only reason we have elections is to find out if the polls were right?”

. . . Robert Orben

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
for Details.